

Rebecca J. Dulin Senior Counsel

Duke Energy 1201 Main Street Capital Center Building Suite 1180 Columbia, SC 29201

o: 803.988.7130 f: 803.988.7123 Rebecca.Dulin@duke-energy.com

June 30, 2017

VIA ELECTRONIC FILING

Mrs. Jocelyn Boyd Chief Clerk/Administrator Public Service Commission of South Carolina 101 Executive Center Dr., Suite 100 Columbia, SC 29210

RE: Proposed Pilot Closure – Business Energy Report (BER) **Docket Number: 2015-178-E**

Dear Mrs. Boyd:

In accordance with Order No. 2015-417 issued by the South Carolina Public Service Commission (the "Commission") on June 3, 2015 in Docket No. 2015-178-E, Duke Energy Progress, LLC ("DEP" or the "Company) hereby requests to terminate the Business Energy Report Pilot Program ("BER" or the "Pilot"). The purpose of the Pilot was to engage customers in understanding energy usage by providing comparative usage data for similar businesses in the same geographic area to motivate customers to become more efficient and reduce energy usage. The Pilot was also designed to assist customers in assessing their energy usage and provide recommendations for more efficient use of energy in their businesses.

In the course of the Company's efforts to effectively manage the Pilot, concerns have arisen regarding the long-term outlook of the Pilot and its ability to be commercialized. The preliminary internal energy savings analysis performed by the Company caused it to question the Pilot's ability to achieve the assumed energy savings associated with the program, which casts significant doubt as to the Pilot's on-going cost-effectiveness. In light of these issues and in order to minimize the costs borne by our customers, the Company believes terminating the Pilot offering at this time is the prudent course of action.

Financial analysis performed at the DEP system level, indicates that approximately \$550,000 of Portfolio Performance Incentive and Net Lost Revenue associated with the Pilot have already been and are forecasted to be collected, and will need to be credited back to customers during the Company's 2018 EE/DSM Rider filing. An early termination of the Pilot and the cancelation of formal evaluation measurement and

verification will avoid approximately \$60,000 in additional costs.

Attached is the existing Pilot tariff (Attachment A) and the closure communication to existing participants (Attachment B).

DEP respectfully requests Commission approval of the Company's request to terminate the Pilot tariff on July 31, 2017.

Please feel free to contact me should there be any questions or issues.

Sincerely,

Rebecca J. Dulin

Enclosures

cc: Parties of Record

GP-5

Attachment A

Duke Energy Progress, LLC (South Carolina Only)

BUSINESS ENERGY REPORT PROGRAM BER-2A (PILOT)

PURPOSE

The purpose of this pilot program is engage customers in understanding energy use by providing comparative usage data for similar businesses in the same geographic area to motivate customers to become more efficient and reduce energy usage. The pilot program will assist customers in assessing their energy usage and provide recommendations for more efficient use of energy in their businesses. The pilot program will also help identify those customers who could benefit most by investing in new energy efficiency measures, undertaking more energy efficient practices and participating in other Company programs.

PROGRAM

- This pilot program is available at the Company's option to non-residential customers served on any general rate schedule from Company's retail distribution system.
- For the purposes of this pilot program similar customer groups will be based on type of business, operating hours, square footage, geographic location, weather data and heating/cooling sources. Potential market segments include but are not limited to the following: office space, public assembly (e.g. places of worship, membership organizations), grocery/convenience stores, retail establishments, restaurants, warehouses, lodging, elementary and secondary schools.
- Customers will receive periodic comparative usage data reports via direct mail or online channels.
- The Company may require a minimum number of months of historical usage data before allowing participation.

Effective for service rendered on and after August 1, 2015 PSCSC Docket No. 2015-237-E, Order No. 2015-542

PROGRAM BER-2A Sheet 1 of 1



nment B

ST24A | 400 South Tryon Street Charlotte, NC 28202

Duke Energy

<<Date>>

- <<First Name>> <<Last Name>> <<Mailing Address>>
- <<City>>, <<State>> <<Zip Code>>

Dear < Customer Name >,

You were selected to participate in our Business Energy Report pilot. As a participant, you've received mailed or emailed energy reports for your business. We continually evaluate opportunities to provide our customers with products and services to help save energy and money. At this time, Duke Energy has decided to discontinue the Business Energy Report program to evaluate other products and services that may be better suited for your business.

You will have access to all of your Business Energy Reports at duke-energy.com/BER until June 30, 2017. If you'd like to provide feedback on the Business Energy Report program, please contact us at 800.979.9144 or BusinessEnergyReport@duke-energy.com.

To learn more about our suite of energy-saving programs and services, please visit **duke-energy.com/business/savings**.

Sincerely,

Susana Ayala

Product & Services Manager



Business Energy Reports are available at duke-energy.com/BER until June 30, 2017.